File No.    50727	Committee Item No. 14 Board Item No. 1
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COMMITTEE/BOAR	D OF SUPERVISORS
AGENDA PACKE	T CONTENTS LIST
Committee: Budget & Finance Sub-Co	ommittee Date July 22, 2015
Board of Supervisors Meeting	Date <u>Sept. 8, 2015</u>
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OTHER (Use back side if additio	nal space is needed)
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H H	
Completed by: Linda Wong	Date July 17, 2015
Completed by: Linda Wong	Date July 22, 2017

### AMENDED IN COMMITTEE 7/22/15 ORDINANCE NO.

FILE NO. 150727

RO#1502/ SA#99-24

[Appropriation and De-Appropriation - Surplus Expenditures of \$4,150,023 \$5,033,384 1 Supporting Increased Overtime Expenditures - FY2014-2015] 2 3 Ordinance retroactively appropriating \$4,150,023 \$5,033,384 to overtime and de-4 appropriating \$4,150,023 \$5,033,384 from permanent salaries, premium pay, and fringe 5 benefits in the Sheriff's Department, Police Department and the Public Utilities 6 Commission's operating budgets in order to support the Departments projected increases in overtime as required per Ordinance No. 194-11 in FY2014-2015. 7 8 9 Note: Additions are *single-underline italics Times New Roman*: deletions are strikethrough italies Times New Roman. 10 Board amendment additions are double underlined. Board amendment deletions are strikethrough normal. 11 12 Be it ordained by the People of the City and County of San Francisco: 13 Section 1. The uses of funding outlined below are herein de-appropriated to reflect the 14 15 projected sources of funding for FY2014-2015. 16 17 Uses De-Appropriation 18 Fund Index/Project Code Subobject Description Amount 19 1G AGF AAA 062CJ2 00201 PERMANENT (\$210,014) 20 GF - NON PROJECT SALARIES-UNIFORM (\$300.000) 21 CONTROLLED 22 23 1G AGF AAA 01501 HEALTH SERVICE <del>(\$140;009)</del> 0662CJ2

Mayor Lee BOARD OF SUPERVISORS

GF NON PROJECT

CONTROLLED

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CITY MATCH

1	Fund	Index/Project Code	Subobject	Description	Amount
2 `	Subtotal - Sheriff's		•		(\$350,023)
3	Department				<u>(\$300,000)</u>
4	-				
5	1G AGF AAA	385036	00902	PREMIUM PAY -	<del>(\$2,000,000)</del>
6	GF – NON PROJECT	•	•	UNIFORM	<u>(\$2,840,000)</u>
7	CONTROLLED				· · · · · · · · · · · · · · · · · · ·
8			•		
9	1G AGF AAA	385036	01573	DEPENDENT	(\$1,700,000)
10	GF - NON PROJECT			COVERAGE -	
. 11	CONTROLLED			UNIFORM	
12		•	•		
،3	Subtotal - Police				<u>(\$3,700,000)</u>
14	Department				<u>(\$4,540,000)</u>
15					
16	5C AAA AAA	920301	00101	PERMANENT	<del>(\$100;000)</del>
17	WASTEWATER-	•		SALARIES-MISC	<u>(\$193,384)</u>
18	OPERATING-NON-PROJ-	•			
19	CONTROLLED				
20					·
21	Subtotal - Public Utilities	•			· <u>(\$100,000)</u>
22	Commission	•			<u>(\$193,384)</u>
23					
24	Total USES De-Appropriatio	n	v +		<del>(\$4,150,023)</del>
25				,	<u>(\$5,033,384)</u>
٠	Mayor Lee BOARD OF SUPERVISORS		•		Page 2
		13	5	•	7/15/2015

Section 2. The uses of funding outlined below are herein appropriated to reflect the projected funding available for FY2014-2015.

# **Uses Appropriation**

Fund	Index/Project Code	Subobject	Description	Amount
1G AGF AAA	062CJ2	01102	SALARIES OVERTIME	<del>\$350,023</del>
GF - NON PROJECT		•	- UNIFORM	\$300,000
CONTROLLED				
				•
Subtotal - Sheriff's				<del>\$350,023</del>
Department			•	<u>\$300,000</u>
1G AGF AAA	385036	01102	SALARIES OVERTIME	<i>\$3,700,000</i>
GF – NON PROJECT			- UNIFORM	<u>\$4,540,000</u>
CONTROLLED .				
·				
Subtotal - Police				<u>\$3,700,000</u>
Department				<i>\$4,540,000</i>
	. *			
5C AAA AAA	920301	01101	OVERTIME - MISC	<i>\$100,000</i>
WASTEWATER-				<u>\$106,555</u>
OPERATING-NON-PROJ-				
CONTROLLED FD	,			
		٠		

Mayor Lee BOARD OF SUPERVISORS

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				•	
1	Fund	Index/Project Code	Subobject	Description	Amount
2	5C AAA AAP	<u>535111</u>	<u>01101</u>	<u>OVERTIME – MISC</u>	\$23,321
· ·3	CWP-OPERATING-ANNUAL	<u>PUW511</u>			
4	<u>PROJECTS</u>				•
5					
6	5C AAA AAP	<u>545111</u>	<u>01101</u>	<u>OVERTIME – MISC</u>	<u>\$16,041</u>
7	<u>CWP-OPERATING-ANNUAL</u>	<u>PUW511</u>			
8	<u>PROJECTS</u>				
9				•	
10	<u>5C AAA AAP</u>	<u>535141</u>	<u>01101</u>	<u>OVERTIME – MISC</u>	<u>\$47,467</u>
11	<u>CWP-OPERATING-ANNUAL</u>	<u>PUW514</u>			
12	<u>PROJECTS</u>				
١3					•
14	Subtotal - Public Utilities				<u>\$100,000</u>
15	Commission				<u>\$193,384</u>
16	•				,
17	Total USES Appropriation			I	\$4,150,023
18	- 1		•		<u>\$5,033,384</u>
19	.,				
20	Section 3. The Cor	ntroller is authorized t	to record trans	sfers between funds a	nd adjust
21	the accounting treatment of	of sources and uses a	appropriated i	n this Ordinance as ne	ecessary to

the accounting treatment of sources and uses appropriated in this Ordinance as necessary to conform with Generally Accepted Accounting Principles.

Mayor Lee **BOARD OF SUPERVISORS** 

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APPROVED AS TO FORM: DENNIS J. HERRERA, City Attorney

FUNDS AVAILABLE: BEN ROSENFIELD, Controller

By:

THOMAS OWEN Deputy City Attorney Ву:\_\_\_\_

Mayor Lee BOARD OF SUPERVISORS

## ANALYSIS OF SUPPLEMENTAL APPROPRIATION REQUEST

DEPARTMENT:

PUC, POL, SHF

DATE:

July 7, 2015

S.A.#

5.A.#

ANALYST: Carol Lu

AMOUNT REQUESTED:

\$4,150,721 (surplus transfer only)

POSITIONS REQUESTED: N/A

**FUNDING SOURCES:** 

1G AGF AAA (POL, SFH) and 5C AAA AAA (PUC)

**SUBJECT:** The Public Utilities Commission (PUC), Police Department (POL), and Sheriff's Department (SHF) request authority to transfer \$4.15M of currently appropriated funds from non-overtime funds for overtime usage.

#### **BACKGROUND:**

In September 2011, Ordinance 194-11 amended Section 3.17 of the Administrative Code to require nine City departments to obtain a supplemental if they were to overspend their overtime budgets. Working with the Mayor's Budget Office and Controller's Office, PUC, POL, and SHF project to overspend their overtime budgets by a combined \$4.15M.

#### **Cost Overruns**

- PUC's \$0.10M request is driven by vacancies, unexpected workload due to the December 2014 storm, and support of the Sewer System Improvement Program in the Wastewater Enterprise.
- Police's \$3.7M request is largely driven by staffing requirements at special events. In FY 2014-15, Overtime pay actuals have exceeded budgeted amounts due to various events including the Giants' postseason games, celebrations, and parade, protests and gatherings in the Fall related to events in Ferguson and Staten Island, and increased dignitary visits at events such as the commissioning of USS America during October Fleet Week and the U.S Conference of Mayors in June.
- Sheriff's \$0.35M request is driven by additional unanticipated events in the final quarter of the 2014-15 fiscal year, to include additional protective details for City Hall due to anticipated protests, larger/longer than anticipated hearings, the US Conference of Mayors and an increase in vacation usage across the department.

	Source:	Use:		
Depts	<b>Operating Savings</b>	Overtime	GF Impac	t
PUC	\$0.10	(\$0.10)	-	_
POL	\$3.70	(\$3.70)	-	
SHF	\$0.35	(\$0.35)		
Totals	\$4.15	(\$4.15)	\$ -	_

RECOMMENDATION: Approve

FISCAL IMPACT: This request has no new fiscal impact to the General Fund.

Item 14	Department:
File 15-0727	Police, Public Utilities Commission (PUC), Sheriff
• .	

#### **EXECUTIVE SUMMARY**

#### **Legislative Objectives**

• The proposed ordinance appropriates \$5,033,384 to overtime and de-appropriates \$5,033,384 from permanent salaries, premium pay, and fringe benefits in the Police Department, Public Utilities Commission, and Sheriff's Department operating budgets in order to support the Departments' actual increases in overtime in FY 2014-2015.

#### **Key Points**

- At the end of Fiscal Year 2014-15, the Police Department, Public Utilities Commission and Sheriff's Department had overages in their overtime budgets of \$4,540,000, \$193,384, and \$294,000 respectively for total overspending on overtime of \$5,027,384. The proposed ordinance rounds the total overtime spending for the Sheriff's Department to \$300,000, resulting in a total de-appropriation and re-appropriation of \$5,033,384.
- Overspending on overtime in the Police and Sheriff Departments was due to the need for additional police presence at a number of events, including the Giants Post Season and World Series parade; the Warriors play-off and victory games; the hosting of the U.S. Conference of Mayors; the Pride Celebration; and the Centennial Celebration.
- Overspending on overtime in the Sheriff's Department was also due to the completion of advanced officer training as mandated by the Board of State and Community Corrections and the Commission on Peace Officer Standards and Training.
- Overspending on overtime in the Public Utilities Commission's Wastewater Enterprise was
  due to operational issues including vacancies within the Wastewater position inventory
  that are responsible for operating the treatment facilities and high levels of long-term
  leaves of absence granted to staff in critical classifications, among other issues.

#### Fiscal Impact

• In each of the three departments, funds will be de-appropriated from permanent salaries, premium pay and fringe benefits and re-appropriated to overtime salaries where the overage is anticipated to occur.

#### Recommendation

Approve the proposed ordinance.

#### MANDATE STATEMENT / BACKGROUND

#### **Mandate Statement**

City Charter Section 9.105 states that amendments to the Annual Appropriations Ordinance, after the Controller certifies the availability of funds, are subject to Board of Supervisors approval by ordinance.

Administrative Code Section 3.17, which was approved by the Board of Supervisors in September 2011, requires that the Annual Appropriation Ordinance contain a separate overtime appropriation within the operating budgets of the following eight City departments: San Francisco International Airport, Department of Emergency Management, Police Department, Department of Public Health, Public Utilities Commission, Department of Public Works, Recreation and Park Department, and the Sheriff.

Administrative Code Section 3.17(b) states that the eight City departments identified above must also request a supplemental appropriation ordinance for any overtime costs in excess of the overtime included in their annual operating budgets as previously appropriated by the Board of Supervisors. Such requested supplemental appropriation ordinances are subject to Board of Supervisors appropriation approval.

Of the eight departments listed above, the Police Department, Public Utilities Commission, and Sheriff's Department incurred overtime expenses in excess of the amounts appropriated by the Board of Supervisors in the FY 2014-15 budgets.

#### **DETAILS OF PROPOSED LEGISLATION**

The proposed ordinance would authorize a supplemental appropriation of \$5,033,384 to overtime and would de-appropriate \$5,033,384 from permanent salaries, premium pay, and fringe benefits in the Police Department, Public Utilities Commission, and Sheriff's Department FY 2014-15 operating budgets in order to support the Departments' actual increases in overtime in FY 2014-2015 in excess of the overtime amount previously appropriated by the Board of Supervisors.

At the end of Fiscal Year 2014-15, the Police Department, the Public Utilities Commission (PUC) and the Sheriff's Department had overages in their overtime budgets of \$4,540,000, \$193,384, and \$294,000 respectively, as shown in Table 1 below, for total additional overtime in excess of the budgeted overtime previously appropriated by the Board of Supervisors of \$5,027,384. The proposed ordinance rounds the total for the Sheriff's department to \$300,000, which results in a total appropriation of \$5,033,384.

Table 1: Overtime Overages by Department for FY 2014-15

Department	Overtime Overage (FY 2014-15)
Police	\$4,540,000
Public Utilities Commission,	
Wastewater Enterprise	\$193,384
Sheriff	\$294,000*
Total	\$5,027,384

Source: Proposed Ordinance

#### Police Department

According to Ms. Maureen Gannon, Police Department Chief Financial Officer, overspending by the Police Department on overtime is due to several events that required adding officers and security, including but not limited to:

- The United States Ship America Commissioning during Fleet Week that was attended by several dignitaries including the President and Vice President of the United States;
- The Giants Post Season play-off and world series games and World Series Parade held in October;
- Gatherings in commemoration of the Ferguson and Staten Island events;
- An increased number of visits by dignitaries to the City, including the Vice President and President;
- The hosting of the National Mayor's Conference in June, which was attended by the President of the United States; and
- Warriors Post Season Watch Parties that were held throughout the City in June.

#### Public Utilities Commission (PUC)

According to Ms. Yolanda Alcantar, PUC Manager, overspending on overtime by the Public Utilities Commission's (PUC) Wastewater Enterprise was due to the following operational issues:

- Vacancies in Wastewater positions that are responsible for operating the treatment facilities;
- High levels of long-term leaves of absence granted to staff in critical classifications (there are currently 30 staff members on continuous long-term leave and 10 on intermittent leave);
- Scheduled shift overtime that is directed by labor agreements and built into staff schedules at the treatment facilities;

<sup>\*</sup>Rounded to \$300,000 in the proposed legislation.

- Excessive rain events on December 3, 2014 and December 11, 2014, which caused significant flooding within the City; and
- Unanticipated staff responses to infrastructure incidents as a result of the aging collection and treatment systems.

Ms. Alcantar also reports that overspending on overtime was due to issues associated with the following programmatic projects at Treasure Island and 525 Golden Gate:

 Overtime in support of unscheduled and as needed maintenance related to the Water Treatment Plant, Wastewater Pump Station, Stormwater Pump Station and Wastewater Collection System, and to the unscheduled and as needed duties related to the operations of Treasure Island and Yerba Buena Island Sewer Treatment Plant and Pump Stations; and

The overtime expenditures related to the city-owned 525 Golden Gate Public Utilities Commission facility are needed to support maintenance and repair activities, such as touchup painting that cannot be performed during business hours, Monday through Friday.

#### Sheriff's Department

According to Ms. Bree Mawhorter, Sheriff's Department Chief Financial Officer, overspending in the Sheriff's Department on overtime was due to the following events:

- The U.S. Conference of Mayors;
- The U.N. Celebration and Ruling on Marriage Equality;
- The City Hall Centennial Celebration;
- The Warriors play-off games;
- The Pride Celebration;
- High security court proceedings; and
- Completion of advanced officer training as mandated by the State Board and Community Corrections and the Commission on Peace Officer Standards and Training.

# **FISCAL IMPACT**

Table 2 below shows the sources of the funds by department to be de-appropriated and the uses of funds to be re-appropriated under the proposed ordinance totaling \$5,033,384.

Table 2: Sources and Uses of Funds by Department

Police Department	Fund	Description	Amo	ount
Sources of Funds	General Fund	Premium Pay – Uniform	\$	2,840,000
	General Fund	Dependent Coverage – Uniform	\$	1,700,000
		Total	\$	4,540,000
Uses of Funds	General Fund	Salaries Overtime – Uniform	\$	4,540,000
PUC Wastewater	Fund	Description	Amo	ount
Source of Funds	CWP - Operating Fund	Permanent Salaries – Misc.	\$	193,384
Uses of Funds	CWP - Operating Fund	Overtime – Misc.	\$	106,555
	CWP - Operating Fund	Overtime – Misc.	\$	23,321
	CWP - Operating Fund	Overtime – Misc.	\$	16,041
	CWP - Operating Fund	Overtime – Misc.	\$	47,467
	,	Total	\$	193,384
Sheriff's Department	Fund	Description	Amo	ount
Source of Funds	General Fund	Permanent Salaries – Uniform	\$	300,000
Use of Funds	General Fund	Salaries Overtime – Uniform	\$	300,000
•		Total	\$	5,033,384

Source: Proposed Ordinance

# **RECOMMENDATION**

Approve the proposed ordinance.

# Office of the Mayor San Francisco



EDWIN M. LEE Mayor

TO:

Angela Calvillo, Clerk of the Board of Supervisors

FROM: 人

Mayor Edwin M. Lee

RE:

Appropriation and De-Appropriation – Surplus Expenditures of \$4,150,023

Supporting Increased Overtime Expenditures

DATE:

July 7, 2015

Attached for introduction to the Board of Supervisors is an ordinance appropriating \$4,150,023 to overtime and de-appropriating \$4,150,023 from permanent salaries, premium pay, and fringe benefits in the Sheriff's Department, Police Department and the Public Utilities Commission's operating budgets in order to support the Departments projected increases in overtime as required per Ordinance No. 194-11 in FY2014-2015.

I respectfully request a waiver of the 30-day hold on this legislation and that this item be calendared in Budget & Finance Committee on July 15<sup>th</sup>, 2015.

Should you have any questions, please contact Nicole Elliott (415) 554-7940.